GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Energy, I&I Department – Proposals for entering into an MoU with M/s Suzlon Energy Ltd., for manufacture and development of 4000 MW Renewable Energy Power Projects in the State of Andhra Pradesh – Permission Accorded – Orders – Issued.

ENERGY, INFRASTRUCTURE & INVESTMENT (PR.II) DEPARTMENT

G.O.MS.No. 15 Dated: 27-11-2015

Read the following:

1. The Chairman of M/s. Suzlon Energy Limited, Letter dated, 03.09.2015.
2. From the VC&MD, NREDCAP Lr.No.NREDCAP/WE/SUZLON/MoU/ 2015, dated. 14.09.2015 and 23.09.2015.

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O R D E R:-

In the reference 1st read above, Chairman of M/s Suzlon Energy Limited, *has submitted a representation* to Government of Andhra Pradesh, for development of 4000 MW Renewable Energy Power Projects (Wind Energy) and Wind Solar Hybrid Systems and to establish Wind Turbine Generator manufacturing facilities and proposed to sign an MoU with Govt. of AP along with their partners viz M/s. Axis Energy Ventures India Private Limited. They have proposed the investment and commitment as detailed below:-

- Manufacturing at multiple locations (i.e. blade, tower, nacelle/generator) to integrate all components of wind turbine generator in Ananthapuramu & Nellore Districts.
- Employment generation
  - Direct : 8,000 (manufacturing & projects)
  - Indirect : 25,000(approx.)
- Establishment of wind and wind-solar hybrid projects(mostly in Ananthapuramu District)
- Establishment of skill development centre (in Ananthapuramu District)
- Establishment of SUZLON Chair at the proposed Energy University

2. Accordingly, the VC&MD, NREDCAP has in his letter second read above, has reported that M/s. Suzlon Energy Ltd., has global presence with an installed capacity of about 15,000 MW in 19 countries including 8,700 MW in India. They have proposed to develop 4,000 MW RE capacity over a period of five years mostly in Ananthapuramu District and they have proposed to sign an MoU jointly with Government of AP for development of the above projects. It has also been informed that M/s. Suzlon Energy Ltd., have agreed to set up integrated wind turbine manufacturing units in the State and signed an MOU with the Industries Department on 29-04-2015. M/s. Axis Energy Ventures India Pvt Ltd., a partner of M/s Suzlon Energy Limited, has conducted detailed wind monitoring studies as per the MNRE guidelines at 28 locations and about 3500-4000 MW capacity wind power potential is available at these locations in mostly Ananthapuramu District and NREDAP has already allotted 1066 MW wind power projects to M/s. Axis Energy Group companies. Hence, the VC&MD.,NREDCAP has proposed that M/s. Suzlon Group and M/s. Axis Energy Group will jointly develop 4000 MW Renewable Energy power projects over a period of 5 years and also manufacturing facilities by M/s. Suzlon Group. Both the parties have proposed to sign an MOU with the Government of AP. The firm has requested to extend necessary benefits, incentives, single window facilitation etc., as per the provisions of AP Wind Power Policy 2015 and AP Industrial Policy 2015-2020. M/s. Suzlon Group has also agreed to submit Performance Bank Guarantee @ Rs. 5.00 lakh per MW (approximately Rs. 200 crores) for

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the entire capacity of 4,000 MW for implementation on time bound basis. Subsequent to signing of MOU, it is proposed to sign an implementation agreement, and agreed to provide Performance Bank Guarantee for timely completion of the project as per the timelines indicated in the proposed implementation agreement. The expected investment that can be brought into the State will be Rs. 28,000 crores towards establishment of 4,000 MW wind power and Rs. 500 crores towards establishment of manufacturing facilities. The Government of AP have also proposed to develop 4,150 MW capacity wind power projects by the year 2018-19, and also the NREDCAP is planning to develop Ananthapuramu District as Renewable Energy Hub under Power For All 24x7 Scheme.

Taking into consideration all the above, an MoU has been prepared indicating all the modalities and commitments of both the parties.

Government after careful consideration, hereby approves the proposal for entering into an MoU with M/s Suzlon Energy Limited and M/s Axis Energy Ventures India Private Limited as per the approved format annexed to this order.

The Vice Chairman & Managing Director, NREDCAP shall take further necessary action accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

AJAY JAIN
SECRETARY TO GOVERNMENT

To
The Vice Chairman & Managing Director, NREDCAP.,Hyderabad. (we).
The Chairman, M/s Suzlon Energy Limited.(we).

Copy to:-
The PS to Secretary to CM.
The PS to Chief Secretary to Govt.
The General Administration (Cabinet) Department.
SF/SCs.

//FORWARDED BY ORDER//

SECTION OFFICER